(a) whether it is a fact that new dearness allowance formula adopted by Government for Central Government employees and pensioners w.e.f. 1st January, 2006 has put those employees and pensioners to loss where basic pay pension fixed w.e.f. 1st January, 2006 is less than three times of the basic pay and pension before that date and the number of such employees and pensioners is quite large;

(b) if so, the action proposed by Government to remove this anomaly; and

(c) by when that is likely to be done?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No instance of loss to Central Government employees and pensioners on account of new dearness allowance formula has come to the notice of this Department.

(b) and (c) Does not arise in view of reply to (a) above.

Developments in the Satyam fraud case

459. SHRI R.C. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry is aware of the latest development about the Satyam fraud; and

(b) if so, the details thereof and reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes Sir. Various agencies including Serious Fraud Investigation Office, Securities and Exchange Board of India (SEBI), Andhra Pradesh state CID, etc. are investigating into possible violation of various Acts, Rules and Regulations administered by the respective agencies. In particular, SEBI is investigating possible violations of SEBI Act 1992, SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 and SEBI (Prohibition of Insider Trading) Regulations, 1992 among others. SEBI has also ordered inspection of the documents available with the Auditors. Besides, books, records and documents of the company are being examined. SEBI has completed examining and recording statements of both Raju brothers (promoters). On 16th February, 2009 the case was handed over to the Central Bureau of Investigation (CBI).

Bank credits to Micro, Small and Medium Enterprises

460. SHRI R.C. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that bank credit to Micro, Small and Medium Enterprises (MSME) has been very low compared to the growth of total credit to industrial sector;

(b) if so, the details thereof; and

(c) the steps being taken to save MSMEs from credit crunch?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The information is given below:

(Rs./crore)

Year ending March	MSME Sector		Industrial Sector	
	Total credit	% growth over previous year	Total credit	% growth over previous year
2006	1,46,719	—	5,50,444	—
2007	1,84,589	25.81	6,97,334	26.68
2008	2,43,796	32.07	8,71,900	25.03

(c) Government have announced special stimulus packages on 7.12.2008 and 2.01.2009 respectively, apart from other measures, to improve and enhance the credit flow to MSME sector. The measures include: Special Refinance Facility of Rs. 7000 crore through SIDBI, Restructuring of SME loans, Prudential guidelines on restructuring, MSME (Refinance) Fund and MSME (Risk Capital) Fund with SIDBI, enhancement of collateral free loans from Rs.50 lakh to Rs.1 crore and increased collateral free guarantee cover to 85% for loans upto Rs.5 lakh under Credit Guarantee Scheme, reduction of fee of Credit Guarantee Scheme, Enactment of the MSMED Act 2006, focusing on clusters, constitution of Standing Advisory Committee by RBI, Constitution of National Board for MSME, Credit Linked Capital Subsidy Scheme, etc.

Funds for bailing out financial institutions

461. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of FINANCE be pleased to state:

(a) the total funds allocated by the Reserve Bank of India as part of its bailout of various financial institutions and Non-Banking Financial Companies through its various schemes as a lender of last resort for the last three years; and

(b) what are the terms of use of such taxpayers' funds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) In year 2006-07, RBI allocated an amount of Rs. 24 crore for a period of 45 days at the rate of interest of Bank Rate plus 4.0 per cent per annum against the collateral of excess SLR securities. The said amount was not availed.

2007-08 — Nil

2008-09 — Nil

Fradulent practices by private insurance companies

462. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether unscrupulous insurance companies in private sector are rejecting claims of the aggrieved insurers on the pretext of cheques for premium being dishonoured, solely due to the delay on the part of the company to encash the cheques;